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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/780,266	02/09/2001	Lawrence M. Sherman	07473-032	6278

30623 7590 09/08/2005

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EXAMINER

PASS, NATALIE

ART UNIT	PAPER NUMBER
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3626

DATE MAILED: 09/08/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/780,266	Applicant(s) SHERMAN, LAWRENCE M.	
	Examiner Natalie A. Pass	Art Unit 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 9 February 2001 & 25 May 2005.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 26-54 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 26-54 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Handwritten signature

Notice to Applicant

1. This communication is in response to the application filed 9 February 2001 and the Response to Restriction Requirement filed 25 May 2005. Claims 26-54 are pending. Claims 26-54 have been elected without traverse. Claims 2-25 and 55-58 have been cancelled.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 32 and 34 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

- Claim 32 recites “the person’s health” on line 3. There is insufficient antecedent basis for this limitation. For the purpose of applying art, Examiner assumes the limitation to read “the health of one of the insured persons.”

- Claim 34 recites “a number” on line 2. It is unclear what kind of number is claimed. For the purpose of applying art, Examiner assumes any number that might be included in an insurance policy to read on this limitation.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

5. Claims 26-49 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claims 26-49 only recite abstract ideas. The recited claims detailing the steps of entering information into a computer, processing the information to determine eligibility of person(s) for additional life insurance, and generating a life insurance policy do not apply, involve, use, or advance the technological arts since all of the recited steps can be

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performed in the mind of the user or by use of a pencil and paper. These steps only constitute different parts of a method for providing additional life insurance.

In this regard, the Examiner notes that although "entering information into a computer" as recited in claim 26, is included in the technological arts, the recitations are interpreted as merely receiving or providing data which is to be read or outputted by a computer without any functional interrelationship, thus not imparting functionality to the computer, rendering it an example of non-functional descriptive material *per se*. Additionally, merely claiming nonfunctional descriptive material entered or stored in a computer does not make the invention eligible for patenting. Furthermore, the remainder of the claim limitations of claim 26 fail to apply, involve, use, or advance the technological arts.

Furthermore, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, as recited in claims 26-49, the claimed invention produces a secondary insurance policy (i.e., repeatable) that can be used in providing secondary insurance for an eligible insured person (i.e., useful and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 26-49 are deemed to be directed to non-statutory subject matter.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United

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States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

7. Claim 26-28, 36, 50 are rejected under 35 U.S.C. 102(e) as being anticipated by Gamble, et al., U.S. Patent Number 6, 163, 770.

(A) As per claim 26, Gamble teaches a computer-implemented method for providing additional life insurance for one or more persons based on at least one of: (i) a primary life insurance policy identifying the one or more persons as insureds; and, (ii) a primary insurer issuing the primary life insurance policy, the computer-implemented method comprising

entering information into a computer identifying the one or more persons insured under the primary life insurance policy (Gamble; column 9, lines 32-39);

entering information into the computer regarding at least one of: (i) the primary life insurance policy and (ii) the primary insurer (Gamble; column 9, lines 32-39);

processing the information regarding at least one of: (i) the primary life insurance policy and (ii) the primary insurer with one or more standards stored in the computer to determine

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eligibility of the one or more persons for additional life insurance provided for by a secondary life insurance policy (Gamble; Figure 4, column 20, lines 12-17, column 21, lines 40-47);

entering information into the computer relating to a secondary benefit amount (Gamble; column 7, lines 29-39, column 11, lines 8-67); and,

generating the secondary life insurance policy from the information regarding the eligibility of the one or more persons and the secondary benefit amount, and at least one of: (i) the primary insurance policy and (ii) the primary insurer, the secondary life insurance policy creating an obligation of one of the primary insurer and a secondary insurer to pay the secondary benefit amount (Gamble; column 11, lines 8-67).

(B) As per claim 27-28, 36, Gamble teaches a method as analyzed and discussed in claim 26 above,

wherein “inputting” (reads on “entering”) information into the computer regarding the primary life insurance policy information includes entering information relating to one or more “attributes” (reads on “terms”) of the primary life insurance policy (Gamble; Abstract, column 7, lines 15-27, column 9, lines 32-44, column 12, line 65 to column 12, line 4);

wherein the one or more terms includes a benefit amount (Gamble; column 2, lines 25-31, column 4, lines 61-62, column 7, lines 30-40, column 13, lines 18-22); and

wherein entering information into the computer regarding the primary insurer includes entering information related to one or more standards used by the primary insurer to determine eligibility of the one or more persons for the primary life insurance policy (Gamble; Figure 4, column 20, lines 12-17, column 21, lines 40-47).

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(C) Claim 50 differs from method claim 26, in that it is a system rather than a method for providing additional life insurance for one or more persons.

System claim 50 repeats the subject matter of claim 26, respectively, as a set of elements rather than a series of steps. As the underlying processes of claim 26 have been shown to be fully disclosed by the teachings of Gamble in the above rejection of claim 26, it is readily apparent that the system disclosed collectively by Gamble includes the apparatus to perform these functions. As such, these limitations are rejected for the same reasons given above for method claim 26, and incorporated herein.

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 29-35, 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gamble, et al., U.S. Patent Number 6, 163, 770.

(A) As per claims 29-31, Gamble teaches a method as analyzed and discussed in claims 26 and 27 above.

Gamble fails to explicitly disclose wherein the one or more terms includes a date of issuance of the primary life insurance policy;

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wherein the one or more terms includes an expiration date of the primary life insurance policy; and

wherein the one or more terms includes one or more conditions that would, if met, void the primary life insurance policy.

However, the above features are well known in the art, and Gamble clearly teaches “receiving, as part of the input data, actuarial assumptions defining a first insurance policy for a first risk” and ““Financial attribute” means a premium, discount, commission rate, claims cost, elimination period, benefit period, benefit amount, benefit limit, benefit coordination, exclusion, limitation, renewability, coverage duration, morbidity factor, mortality factor, expense, or any other similarly financially-related element of, or associated with, an insurance policy,” and “adjustment [reads on “entering”] of certain financial attributes of the first policy “(Gamble; Figure 2, Figure 4, Rows 1-3, column 9, lines 32-33, column 12, line 65 to column 13, line 4, column 21, lines 65-67).

It is respectfully submitted that since Gamble is directed to “[generating] printed documentation for a first insurance policy affected by a concurrent second insurance policy,” (Gamble; column 5, lines 61-62), Gamble’s teachings as recited in the above passage, broadly reads on the claimed “wherein the one or more terms includes a date of issuance of the primary life insurance policy” and “wherein the one or more terms includes an expiration date of the primary life insurance policy”; and “wherein the one or more terms includes one or more conditions that would, if met, void the primary life insurance policy”.

It is the position of the Examiner that one having ordinary skill in the art at the time of the invention would have found it obvious to include a date of issuance of the primary life

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insurance policy; wherein the one or more terms includes an expiration date of the primary life insurance policy; and wherein the one or more terms includes one or more conditions that would, if met, void the primary life insurance policy within the method disclosed by Gamble, with the motivation of providing a method for the foregoing such that the resultant reduction (savings) in a claims cost of the first insurance policy can then be used to reduce the premiums charged to consumers; or by utilizing an appropriate computational filter to add additional benefits and/or coverage at no additional cost to consumers; and/or to increase the profitability of the insurer's policy, without increasing the insurer's financial risk (Gamble; column 7, lines 40-48).

(B) As per claims 32-35, 43, Gamble teaches a method as analyzed and discussed in claims 26 and 27 above.

Gamble fails to explicitly disclose

wherein the one or more terms includes one or more statements received from at least one of the one or more persons in connection with the person's health;

wherein the one or more terms of the primary life insurance policy includes an age of at least one of the one or more persons;

wherein the one or more terms of the primary life insurance policy includes a number of the one or more persons;

wherein the one or more terms of the primary life insurance policy includes one or more conditions precedent to payment of a benefit amount; and

wherein the secondary benefit amount is less than a primary benefit amount provided under the primary life insurance policy.

However, the above features are well known in the art, and Gamble clearly teaches “receiving, as part of the input data, actuarial assumptions defining a first insurance policy for a first risk” and ““Financial attribute” means a premium, discount, commission rate, claims cost, elimination period, benefit period, benefit amount, benefit limit, benefit coordination, exclusion, limitation, renewability, coverage duration, morbidity factor, mortality factor, expense, or any other similarly financially-related element of, or associated with, an insurance policy” and “adjustment [reads on “entering”] of certain financial attributes of the first policy “ and ““claims cost” or “claims costs” mean monies paid to claimants in accordance with an insurance arrangement” (reads on “conditions precedent to payment of a benefit amount”) and “the second insurance policy having maximum aggregate benefit limits” (Gamble; Figure 2, Figure 4, Rows 1-3, column 7, lines 23-67, column 9, lines 32-33, column 10, lines 20-45, column 12, line 65 to column 13, line 6, column 21, lines 65-67). Examiner interprets these teachings as reading on the recited limitations.

It is the position of the Examiner that one having ordinary skill in the art at the time of the invention would have found it obvious to include these limitations within the method disclosed by Gamble, with the motivation of providing a method for the foregoing such that the resultant reduction (savings) in a claims cost of the first insurance policy can then be used to reduce the premiums charged to consumers; or by utilizing an appropriate computational filter to add additional benefits and/or coverage at no additional cost to consumers; and/or to increase the profitability of the insurer's policy, without increasing the insurer's financial risk (Gamble; column 7, lines 40-48).

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10. Claims 37-42, 44-47, 51-54 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gamble, et al., U.S. Patent Number 6, 163, 770 in view of Ryan, et al., U.S. Patent Number 5, 673, 402.

(A) As per claims 37-39, Gamble teaches a method as analyzed and discussed in claims 26 and 36 above.

Gamble fails to explicitly disclose

wherein the one or more standards includes one or more statements received from at least one of the one or more persons in connection with such person's health;

wherein the one or more standards includes an age of at least one of the one or more persons; and

wherein the one or more standards includes a profession at least one of the one or more persons.

However, the above features are well-known in the art, as evidenced by Ryan.

In particular, Ryan teaches

wherein the one or more standards includes one or more statements received from at least one of the one or more persons in connection with such person's health (Ryan; column 19, lines 14-24, column 33, line 61 to column 34, line 12);

wherein the one or more standards includes an age of at least one of the one or more persons (Ryan; column 7, line 51 to column 8, line 1, (Ryan; column 19, lines 14-24, column 33, line 61 to column 34, line 12); and

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wherein the one or more standards includes “employment” data (reads on “a profession at least one of the one or more persons”) (Ryan; column 33, line 61 to column 34, line 12, column 39, lines 6-9).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Gamble to include these recited limitations, as taught by Ryan, with the motivations of providing a computerized insurance system capable of identifying potentially higher risk individuals and providing specialized insurance values for those individuals (Ryan; column 6, lines 11-14).

(B) As per claims 40-42, Gamble and Ryan teach a method as analyzed and discussed above

wherein the one or more standards includes a benefit amount of the primary life insurance policy (Ryan; column 19, lines 14-24);

wherein the one or more standards includes a term during which the primary life insurance policy is effective (Ryan; column 22, lines 23-26); and

wherein the one or more standards includes one or more responses received from at least one of the one or more insureds in response to one or more antiselection questions (Ryan; column 19, lines 34-35).

The motivations for combining the respective teachings of Gamble and Ryan are as given in the rejection of claim 37 above, and incorporated herein.

(C) As per claims 44-45, Gamble teaches a method as analyzed and discussed in claim 26 above.

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Gamble fails to explicitly disclose

further comprising obtaining information from at least one of the one or more persons in response to one or more queries;

further comprising employing one or more risk reduction procedures.

However, the above features are well-known in the art, as evidenced by Ryan.

In particular, Ryan teaches a method

further comprising obtaining information from at least one of the one or more persons in response to one or more queries (Ryan; column 31, lines 7-15);

further comprising employing one or more risk reduction procedures (Ryan; column 30, lines 56-67).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Gamble to include these recited limitations, as taught by Ryan, with the motivations of providing a computerized insurance system capable of identifying potentially higher risk individuals and providing specialized insurance values for those individuals (Ryan; column 6, lines 11-14).

(D) As per claims 46-47, Gamble and Ryan teach a method as analyzed and discussed in claim 26 and 45 above.

wherein employing one or more risk reduction procedures includes establishing a period of time during which an offer for the secondary life insurance policy is effective (Ryan; column 19, lines 10-27);

wherein employing one or more risk reduction procedures includes establishing a period of time within which a payment of a premium for the secondary life insurance policy is

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“scheduled” (reads on “required”) (Ryan; column 9, line 64 to column 10, line 4);

The motivations for combining the respective teachings of Gamble and Ryan are as given in the rejection of claim 37 above, and incorporated herein.

(E) As per claims 51-54, Gamble and Ryan teach a method as analyzed and discussed in claim 50 above

further comprising at least one output operatively connected to the broker computer for transmitting to the customer computer via the network information regarding the secondary life insurance policy (Ryan; column 6, lines 54-60);

wherein the broker computer is communicatively connected to at least one primary insurer computer via the network (Ryan; column 6, lines 54-60, column 23, lines 36-39);

wherein the broker computer and the primary insurer are communicatively connected to one or more databases via the network, the one or more databases including information related to at least one of; the one or more persons, the primary life insurance policy and the primary insurer (Ryan; Abstract, column 6, lines 54-60, column 7, lines 29-39, column 18, lines 44-64, column 23, lines 36-44); and

wherein the broker computer is communicatively connected to one or more databases via the network, the one or more databases including information related to at least one of the one or more persons, the primary life insurance policy and the primary insurer (Ryan; Abstract, column 6, lines 54-60, column 7, lines 29-39, column 18, lines 44-64, column 23, lines 36-44), (Gamble; Abstract, column 7, lines 15-27, column 9, lines 32-44, column 12, line 65 to column 12, line 4).

The motivations for combining the respective teachings of Gamble and Ryan are as given in the rejection of claim 37 above, and incorporated herein.

11. Claims 48-49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gamble, et al., U.S. Patent Number 6, 163, 770 in view of Pescitelli, et al., U.S. Patent Number 5, 845, 256.

(A) As per claims 48-49, Gamble teaches a method as analyzed and discussed in claim 26 above.

Gamble fails to explicitly disclose a method further comprising establishing at least one beneficiary of the secondary life insurance policy; and

wherein the at least one beneficiary of the secondary life insurance policy includes at least one beneficiary of the primary life insurance policy.

However, the above features are well-known in the art, as evidenced by Pescitelli.

In particular, Pescitelli teaches further comprising establishing at least one beneficiary of the secondary life insurance policy (Pescitelli; column 11, lines 20-29, column 13, lines 7-14); and

wherein the at least one beneficiary of the secondary life insurance policy includes at least one beneficiary of the primary life insurance policy (Pescitelli; column 11, lines 20-29, column 13, lines 7-14).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Gamble to include establishing beneficiaries of the life insurance policies, as taught by Pescitelli, with the motivations of providing an improved system, and method, for vending insurance contracts (Pescitelli; column 2, lines 49-52).

Conclusion

12. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure. The cited but not applied references, Walker et al, U.S. Patent Number 6, 302, 844, Ryan et al., U.S. Patent Number 5, 655, 085, Underwood et al., U.S. Patent Number 5, 873, 066, teach the environment of providing additional or secondary insurance.

13. Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks
Washington D.C. 20231**

or faxed to: **(571) 273-8300.**

For informal or draft communications, please label "PROPOSED" or "DRAFT" on the front page of the communication and do NOT sign the communication. After Final communications should be labeled "Box AF."

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Natalie A. Pass whose telephone number is (571) 272-6774. The examiner can normally be reached on Monday through Thursday from 9:00 AM to 6:30 PM. The examiner can also be reached on alternate Fridays.

15. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas, can be reached at (571) 272-6776. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (571) 272-3600.


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16. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Natalie A. Pass

August 29, 2005



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